## FINAL BILL REPORT ESSB 5628

## C 328 L 17

Synopsis as Enacted

**Brief Description**: Providing for fire protection district formation by the legislative authority of a city or town subject to voter approval.

**Sponsors**: Senate Committee on Local Government (originally sponsored by Senators Takko, Fortunato and Sheldon).

Senate Committee on Local Government House Committee on Local Government House Committee on Finance

**Background**: The Washington State Constitution provides general police powers for cities and towns, which include the power to establish and maintain a fire department to provide fire protection services within its corporate limits. If a city or town does not wish to establish its own fire department, it may also contract for fire protection services with another jurisdiction, form a regional fire protection authority with an adjacent jurisdiction, or be annexed to an adjacent fire protection district.

Fire Protection Districts (districts) are municipal corporations created to provide fire and emergency services in locations outside of cities and towns. Districts are governed by a board of three, five, or seven elected fire commissioners and have the authority to impose property taxes and benefit charges. Districts are established through a petition filed with the county auditor. The petition is then scheduled for public hearing. The county legislative authority must consider the petition and either pass a resolution allowing the petition to be submitted to the voters or deny the petition. If a resolution is passed, voters will vote on the district formation and elect the initial fire commissioners at the next general election. A three-fifths majority of votes approving the proposition is required for formation.

Districts may impose up to three regular property tax levies, each with a maximum rate of \$0.50 per \$1,000 of assessed value. Districts may also impose benefit charges on property within the district. Benefit charges are designed to reflect the measurable benefits a property receives from being within the district's service area. The initial imposition of a benefit charge must be approved by 60 percent of voters within the district voting at an election, and expires in six or fewer years unless subsequently reapproved by a majority of voters. Districts that impose a benefit charge may not impose one of the three regular property tax levies of \$0.50 per \$1,000 of assessed value.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

**Summary**: The legislative authority of a city or town may establish a fire protection district by resolution, subject to the approval of the voters. The resolution must include a financing plan for the district, and may propose the imposition of property taxes or benefit charges. The financing plan must include information regarding property taxes, including:

- the total dollar amount the district will levy the first year it imposes a property tax;
- the city or town's highest lawful levy, reduced by the district's levy amount in the first year; and
- the estimated aggregate net dollar amount impact on property owners in the city or town based on the changes.

The resolution containing the financing plan must be scheduled for public hearing and placed on the ballot at the next general election. The ballot title must include the information regarding property taxes that is contained in the financing plan. The resolution must be approved by a simple majority of the city or town's voters if no benefit charge is proposed, or 60 percent of the voters if a benefit charge is proposed.

Members of the city or town legislative authority will serve ex officio as the district's fire commissioners and may not receive compensation for their service on behalf of the district. The legislative authority of a city or town may relinquish this governance authority to a board of fire commissioners at any time.

Upon the district's formation, all powers, duties, and functions of the city or town fire department are transferred to the fire protection district. In addition, the fire department must deliver the following to the fire protection district once created:

- all written reports, documents, records, files, and written materials;
- all real and personal property, including furniture, equipment, and vehicles; and
- all funds, credits, and assets held in connection with fire protection services.

All appropriations, pending business, contracts, and obligations of the fire department also transfer to the district upon formation. All employees of the fire department transfer to the district upon its creation date, maintaining the same compensation, benefits, and promotion status as they had when employed by the fire department. For purposes of property taxation, the boundaries of the district are established as of the date the voter-approved proposition is certified.

The creation of a city or town district will not affect the powers of a municipal airport fire department. A city or town district may not establish an ambulance service utility that will compete with an existing private ambulance service, unless it finds that the existing private ambulance service is inadequate.

## **Votes on Final Passage:**

Senate 49 0

House 67 30 (House amended) Senate 48 0 (Senate concurred)

Effective: July 23, 2017